



October 2005

## **2006 Supplemental Budget Recommendations to the Office of Financial Management *DRAFT***

State law (RCW 28B.76.210(5)) requires the public four-year colleges and universities and the State Board for Community and Technical Colleges to submit any supplemental budget requests and revisions to the Higher Education Coordinating Board (HECB) at the same time they submit them to the Office of Financial Management (OFM). The HECB then must submit its recommendations on the proposed supplemental budget requests to OFM by November 1 and to the legislature by January 1. It is the intent of the legislature that HECB recommendations reflect not merely the sum of the budget requests from multiple institutions, but prioritized funding needs for the overall higher education system.

This year, OFM set a deadline of Monday, October 17, for agencies to submit supplemental budget requests. Supplemental budget requests were to be limited to:

- A critical or emergent need;
- A change in mandatory caseload or workload;
- A technical correction related to the enacted 2005-07 budget; or
- An opportunity to reduce state government costs.

Due to the late date by which institutions were to submit supplemental budget requests, the HECB has not had sufficient time to review the higher education supplemental budget requests and develop recommendations by the November 1 deadline. However, the HECB has previously stated its fiscal priorities in the following documents:

- 2005-07 Operating and Capital Budget Guidelines (adopted in December 2003);
- 2004 Strategic Master Plan for Higher Education (adopted in July 2004); and
- 2005-07 Operating and Capital Budget Recommendations (adopted in October and December 2004).

The goals adopted in the *2004 Strategic Master Plan for Higher Education* were to (1) increase the opportunities for students to earn degrees and (2) respond to the state's economic needs.

In addition, the HECB has reviewed and adopted a *Statewide and Regional Needs Assessment (October 2005)*. A key recommendation from this report is that public colleges and universities must grow to accommodate additional student demand resulting from population pressure.

The HECB continues to support its previously stated goals and strategies. In December 2005, the HECB will make recommendations to the legislature on the 2006 supplemental budget requests. These recommendations will be based on its review of the institutional requests, past statements of budget priorities, a review of where the state stands with regard to the strategic master plan, and the newly completed needs assessment.

**RESOLUTION NO. 05-20**

WHEREAS, State law directs the Higher Education Coordinating Board to present recommendations to the Office of Financial Management by November 1 on the 2006 supplemental operating and capital budget requests from the public four-year colleges and universities and the State Board for Community and Technical Colleges; and

WHEREAS, These recommendations are to reflect not merely the sum of the budget requests from the multiple institutions, but rather the prioritized funding needs for the overall higher education system; and

WHEREAS, The Office of Financial Management has set a deadline of October 17, 2005, for the institutions to submit their supplemental budget requests; and

WHEREAS, The board has not had sufficient time to review the requests from the institutions and develop recommendations; and

WHEREAS, The board has previously stated its fiscal priorities, specifically in the *2004 Strategic Master Plan for Higher Education* and the *2005-07 Higher Education Operating and Capital Budget Recommendations*; and

WHEREAS, The board has identified two over-arching goals for higher education in Washington state to help students succeed: (1) increasing the opportunities for students to earn degrees and (2) responding to the state's economic needs;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board stands by its past statements of priorities and supports higher education funding increases that will help the state achieve the goals of (1) increasing the opportunities for students to earn degrees and (2) responding to the state's economic needs.

Adopted:

October 27, 2005

Attest:

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Roberta Greene, Vice Chair

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Jesus Hernandez, Secretary